

December 29, 2015



Mr. Matt Lepore, Director
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

7535 Hilltop Circle
Denver, CO 80221
www.petro-fs.com

**RE: COGCC Rule 318A.c.: Twinning Exception Location Consent
Schneider 31-L Pad: NESE Section 31, Township 7 North, Range 66 West
Weld County, Colorado**

Dear Mr. Lepore:

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill the following horizontal wells on the above referenced pad:

Schneider T-31-36HC	1310' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955309
Schneider U-31-36HN	1295' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955311
Schneider V-31-36HN	1280' FSL 304' FEL	Section 31-T7N-R66W	Document # 400955315
Schneider W-31-36HC	1265' FSL 304' FEL	Section 31-T7N-R66W	Document # 400955316
Schneider X-31-36HN	1250' FSL 304' FEL	Section 31-T7N-R66W	Document # 400955317

Colorado Oil & Gas Conservation Commission (COGCC) Rule 318A.c. states that any new well is to be located within 50 feet of an existing well. Bayswater's above referenced wells are being permitted as exception locations since they are located greater than 50' from the nearest existing well. Currently these wells are located 538 feet from the nearest well. These wells are being proposed at this location due to an agreed upon location in the Surface Damage Agreement with the surface owner. Bayswater has obtained written permission from the surface owner by way of signed waiver.

Bayswater respectfully requests the COGCC to review the enclosed information and approve the requested exception location and Application for Permit to Drill for the wells on the subject pad. Many thanks.

Respectfully,

Jeff Annable
Regulatory Analyst
Agent for Bayswater Exploration & Production, LLC

We are what we repeatedly do. Excellence, then, is not an act, but a habit.

-Aristotle